

**CITY OF BISMARCK EMPLOYEES PENSION FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2008**

|   | June-08          |              |              |                 | March-08         |              |              |                 | December-07       |              |              |                 | September-07      |              |              |                 | Current        | Prior Year    | 3 Years         | 5 Years         |
|---|------------------|--------------|--------------|-----------------|------------------|--------------|--------------|-----------------|-------------------|--------------|--------------|-----------------|-------------------|--------------|--------------|-----------------|----------------|---------------|-----------------|-----------------|
|   | Market Value     | Allocation   | Policy       | Quarter Net ROR | Market Value     | Allocation   | Policy       | Quarter Net ROR | Market Value      | Allocation   | Policy       | Quarter Net ROR | Market Value      | Allocation   | Policy       | Quarter Net ROR | Fiscal YTD     | FY07          | Ended 6/30/2008 | Ended 6/30/2008 |
| <b>LARGE CAP DOMESTIC EQUITY</b>        |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| <i>Structured Growth</i>                |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| LA Capital                              | 1,380,278        | 2.8%         | 2.8%         | 4.53%           | 1,306,283        | 2.6%         | 2.8%         | -10.04%         | 1,396,232         | 2.7%         | 2.7%         | -1.46%          | 1,419,935         | 2.7%         | 2.7%         | 0.41%           | -6.96%         | 21.75%        | 8.22%           | N/A             |
| <b>Total Structured Growth</b>          | <b>1,380,278</b> | <b>2.8%</b>  | <b>2.8%</b>  | <b>4.53%</b>    | <b>1,306,283</b> | <b>2.6%</b>  | <b>2.8%</b>  | <b>-10.04%</b>  | <b>1,396,232</b>  | <b>2.7%</b>  | <b>2.7%</b>  | <b>-1.46%</b>   | <b>1,419,935</b>  | <b>2.7%</b>  | <b>2.7%</b>  | <b>0.41%</b>    | <b>-6.96%</b>  | <b>21.75%</b> | <b>8.22%</b>    | <b>10.32%</b>   |
| Russell 1000 Growth                     |                  |              |              | 1.25%           |                  |              |              | -10.18%         |                   |              |              | -0.77%          |                   |              |              | 4.21%           | -5.96%         | 19.04%        | 5.91%           | 7.32%           |
| <i>Structured Value</i>                 |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| LSV                                     | 1,216,161        | 2.4%         | 2.8%         | -7.66%          | 1,302,454        | 2.6%         | 2.8%         | -9.62%          | 1,497,251         | 2.9%         | 3.0%         | -5.88%          | 1,604,731         | 3.1%         | 3.0%         | -1.07%          | -22.29%        | 23.29%        | 3.56%           | 11.19%          |
| Russell 1000 Value                      |                  |              |              | -5.31%          |                  |              |              | -8.72%          |                   |              |              | -5.80%          |                   |              |              | -0.24%          | -18.78%        | 21.87%        | 3.53%           | 8.92%           |
| <i>Enhanced Russell 1000 Index</i>      |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| LA Capital                              | 1,121,601        | 2.3%         | 2.3%         | 1.30%           | 1,095,161        | 2.2%         | 2.3%         | -10.61%         | 1,309,123         | 2.5%         | 2.5%         | -1.46%          | 1,490,247         | 2.9%         | 2.8%         | 0.07%           | -10.70%        | 20.43%        | 6.55%           | 9.03%           |
| Russell 1000                            |                  |              |              | -1.89%          |                  |              |              | -9.48%          |                   |              |              | -3.23%          |                   |              |              | 1.98%           | -12.36%        | 20.43%        | 4.81%           | 8.22%           |
| <i>Enhanced S&amp;P 500 Index</i>       |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| Northern Trust                          | 514,666          | 1.0%         | 1.2%         | -2.97%          | 524,738          | 1.1%         | 1.2%         | -9.42%          | 1,007,430         | 1.9%         | 2.0%         | -4.64%          | 1,358,256         | 2.6%         | 2.6%         | 0.41%           | -15.84%        | 19.26%        | 3.14%           | 6.72%           |
| Westridge                               | 1,152,361        | 2.3%         | 2.6%         | -2.38%          | 1,167,937        | 2.3%         | 2.6%         | -9.16%          | 1,298,015         | 2.5%         | 2.6%         | -3.13%          | 1,771,982         | 3.4%         | 2.6%         | 2.15%           | -12.25%        | 21.05%        | 4.94%           | 8.02%           |
| Wells Capital                           | 912,784          | 1.8%         | 2.0%         | -4.58%          | 804,321          | 1.6%         | 2.0%         | -21.06%         | 1,023,981         | 2.0%         | 2.0%         | -12.97%         | 1,196,797         | 2.3%         | 2.0%         | 4.35%           | -31.59%        | 30.71%        | N/A             | N/A             |
| European Credit Management              | 559,565          | 1.1%         | 1.2%         | 1.25%           | 512,486          | 1.0%         | 1.2%         | -20.15%         | 468,000           | 0.9%         | 0.9%         | N/A             | -                 | 0.0%         | 0.0%         | N/A             | N/A            | N/A           | N/A             | N/A             |
| Prudential                              | 638,130          | 1.3%         | 1.3%         | 6.15%           | 596,466          | 1.2%         | 1.3%         | N/A             | -                 | 0.0%         | 0.0%         | N/A             | -                 | 0.0%         | 0.0%         | N/A             | N/A            | N/A           | N/A             | N/A             |
| Franklin                                | 541,360          | 1.1%         | 1.2%         | -0.48%          | 536,587          | 1.1%         | 1.2%         | -8.21%          | 941,303           | 1.8%         | 2.0%         | -4.69%          | 1,005,473         | 1.9%         | 2.0%         | -0.82%          | -13.65%        | N/A           | N/A             | N/A             |
| <b>Total Enhanced S&amp;P 500 Index</b> | <b>4,318,866</b> | <b>8.7%</b>  | <b>9.5%</b>  | <b>-1.21%</b>   | <b>4,142,536</b> | <b>8.3%</b>  | <b>9.5%</b>  | <b>-13.91%</b>  | <b>4,738,729</b>  | <b>9.2%</b>  | <b>9.5%</b>  | <b>-5.87%</b>   | <b>5,332,509</b>  | <b>8.3%</b>  | <b>9.2%</b>  | <b>1.61%</b>    | <b>-18.66%</b> | <b>21.56%</b> | <b>2.40%</b>    | <b>6.45%</b>    |
| S&P 500                                 |                  |              |              | -2.73%          |                  |              |              | -9.44%          |                   |              |              | -3.33%          |                   |              |              | 2.03%           | -13.12%        | 20.59%        | 4.41%           | 7.58%           |
| <i>Absolute Return Strategy</i>         |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| Epoch                                   | 602,406          | 1.2%         | 1.2%         | 1.41%           | 587,391          | 1.2%         | 1.2%         | -5.87%          | 457,445           | 0.9%         | 0.9%         | -2.47%          | 282,181           | 0.5%         | 0.9%         | 0.07%           | -6.84%         | N/A           | N/A             | N/A             |
| S&P 500                                 |                  |              |              | -2.73%          |                  |              |              | -9.44%          |                   |              |              | -3.33%          |                   |              |              | 2.03%           | -13.12%        |               |                 |                 |
| <i>S&amp;P 500 Index</i>                |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| State Street                            | 644,211          | 1.3%         | 1.4%         | -2.27%          | 652,017          | 1.3%         | 1.4%         | -10.66%         | 650,558           | 1.3%         | 1.4%         | -5.73%          | 694,549           | 1.3%         | 1.4%         | -0.66%          | -18.23%        | 21.86%        | 2.99%           | 6.70%           |
| S&P 500                                 |                  |              |              | -2.73%          |                  |              |              | -9.44%          |                   |              |              | -3.33%          |                   |              |              | 2.03%           | -13.12%        | 20.59%        | 4.41%           | 7.58%           |
| <b>TOTAL LARGE CAP DOMESTIC EQUITY</b>  | <b>9,283,523</b> | <b>18.7%</b> | <b>20.0%</b> | <b>-0.91%</b>   | <b>9,085,843</b> | <b>18.2%</b> | <b>20.0%</b> | <b>-11.74%</b>  | <b>10,049,338</b> | <b>19.4%</b> | <b>20.0%</b> | <b>-4.75%</b>   | <b>10,824,152</b> | <b>20.8%</b> | <b>20.0%</b> | <b>0.71%</b>    | <b>-16.11%</b> | <b>21.66%</b> | <b>4.22%</b>    | <b>8.17%</b>    |
| S&P 500                                 |                  |              |              | -2.73%          |                  |              |              | -9.44%          |                   |              |              | -3.33%          |                   |              |              | 2.03%           | -13.12%        | 20.59%        | 4.41%           | 7.58%           |
| <b>SMALL CAP DOMESTIC EQUITY</b>        |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| <i>Manager-of-Managers</i>              |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| SEI                                     | 3,974,556        | 8.0%         | 8.6%         | -0.34%          | 3,746,284        | 7.5%         | 8.6%         | -12.91%         | 4,218,115         | 8.2%         | 8.6%         | -6.55%          | 4,194,144         | 8.1%         | 8.6%         | -4.34%          | -22.41%        | 17.13%        | 1.06%           | 8.52%           |
| Russell 2000 + 200bp                    |                  |              |              | 1.09%           |                  |              |              | -9.43%          |                   |              |              | -4.09%          |                   |              |              | -2.60%          | -14.48%        | 18.76%        | 5.88%           | 12.50%          |
| Callan                                  | 1,677,720        | 3.4%         | 3.4%         | 1.31%           | 1,623,566        | 3.3%         | 3.4%         | -11.52%         | 1,805,931         | 3.5%         | 3.4%         | -4.57%          | 1,851,282         | 3.6%         | 3.4%         | -1.15%          | -15.44%        | 21.00%        | N/A             | N/A             |
| Russell 2000                            |                  |              |              | 0.58%           |                  |              |              | -9.90%          |                   |              |              | -4.58%          |                   |              |              | -3.09%          | -16.19%        | 16.44%        |                 |                 |
| <b>TOTAL SMALL CAP DOMESTIC EQUITY</b>  | <b>5,652,276</b> | <b>11.4%</b> | <b>12.0%</b> | <b>0.17%</b>    | <b>5,369,850</b> | <b>10.8%</b> | <b>12.0%</b> | <b>-12.50%</b>  | <b>6,024,046</b>  | <b>11.7%</b> | <b>12.0%</b> | <b>-5.95%</b>   | <b>6,045,426</b>  | <b>11.6%</b> | <b>12.0%</b> | <b>-3.38%</b>   | <b>-20.36%</b> | <b>17.89%</b> | <b>2.11%</b>    | <b>9.20%</b>    |
| Russell 2000                            |                  |              |              | 0.58%           |                  |              |              | -9.90%          |                   |              |              | -4.58%          |                   |              |              | -3.09%          | -16.19%        | 16.44%        | 3.79%           | 10.29%          |
| <b>INTERNATIONAL EQUITY</b>             |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| <i>Large Cap - Core</i>                 |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| State Street                            | 535,757          | 1.1%         | 1.1%         | -1.03%          | 548,874          | 1.1%         | 1.1%         | -9.37%          | 553,214           | 1.1%         | 1.1%         | -4.46%          | 576,839           | 1.1%         | 1.1%         | 1.39%           | -13.11%        | 27.82%        | 12.40%          | 14.27%          |
| MSCI EAFE (1)                           |                  |              |              | -2.25%          |                  |              |              | -8.91%          |                   |              |              | -1.75%          |                   |              |              | 2.18%           | -10.61%        | 27.00%        | 12.84%          | 14.86%          |
| <i>Large Cap - Active</i>               |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| Capital Guardian                        | 1,655,483        | 3.3%         | 3.3%         | -0.88%          | 1,622,318        | 3.3%         | 3.3%         | -11.86%         | 1,701,624         | 3.3%         | 3.3%         | -1.22%          | 1,735,586         | 3.3%         | 3.3%         | -0.22%          | -13.89%        | 26.04%        | 11.58%          | 14.15%          |
| LSV                                     | 1,539,091        | 3.1%         | 3.3%         | -5.00%          | 1,639,655        | 3.3%         | 3.3%         | -12.11%         | 1,584,430         | 3.1%         | 3.3%         | -5.91%          | 1,677,166         | 3.2%         | 3.3%         | -3.24%          | -23.98%        | 29.94%        | 8.07%           | N/A             |
| Bank of Ireland                         | -                | 0.0%         | 1.1%         | N/A             | 549              | 0.0%         | 1.1%         | -16.79%         | 510,453           | 1.0%         | 1.1%         | -7.97%          | 552,329           | 1.1%         | 1.1%         | -4.47%          | N/A            | 25.29%        | N/A             | N/A             |
| <b>Total Large Cap - Active</b>         | <b>3,194,574</b> | <b>6.4%</b>  | <b>7.7%</b>  | <b>-2.93%</b>   | <b>3,262,522</b> | <b>6.5%</b>  | <b>7.7%</b>  | <b>-12.22%</b>  | <b>3,796,507</b>  | <b>7.3%</b>  | <b>7.7%</b>  | <b>-4.14%</b>   | <b>3,965,081</b>  | <b>7.6%</b>  | <b>7.7%</b>  | <b>-2.12%</b>   | <b>-20.05%</b> | <b>27.58%</b> | <b>9.04%</b>    | <b>13.03%</b>   |
| MSCI EAFE - 50% Hedged                  |                  |              |              | -1.47%          |                  |              |              | -12.04%         |                   |              |              | -2.19%          |                   |              |              | 0.11%           | -15.14%        | 26.94%        | 10.93%          | 14.67%          |
| <i>Small Cap - Active</i>               |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| Lazard                                  | -                | 0.0%         | 0.0%         | N/A             | -                | 0.0%         | 0.0%         | N/A             | 164               | 0.0%         | 0.0%         | -26.48%         | 535,271           | 1.0%         | 1.1%         | -3.52%          | N/A            | 24.18%        | N/A             | N/A             |
| DFA                                     | 524,695          | 1.1%         | 1.1%         | -5.13%          | 560,972          | 1.1%         | 1.1%         | -3.63%          | 489,156           | 0.9%         | 1.1%         | N/A             | -                 | 0.0%         | 0.0%         | N/A             | N/A            | N/A           | N/A             | N/A             |
| Wellington                              | 540,613          | 1.1%         | 1.1%         | -2.30%          | 560,871          | 1.1%         | 1.1%         | -8.24%          | 548,074           | 1.1%         | 1.1%         | -4.44%          | 571,147           | 1.1%         | 1.1%         | -1.00%          | -15.19%        | 26.62%        | 9.83%           | 16.11%          |
| <b>Total Small Cap - Active</b>         | <b>1,065,309</b> | <b>2.1%</b>  | <b>2.2%</b>  | <b>-3.72%</b>   | <b>1,121,843</b> | <b>2.2%</b>  | <b>2.2%</b>  | <b>-5.94%</b>   | <b>1,037,393</b>  | <b>2.0%</b>  | <b>2.2%</b>  | <b>-4.68%</b>   | <b>1,106,418</b>  | <b>2.1%</b>  | <b>2.2%</b>  | <b>-2.23%</b>   | <b>-15.60%</b> | <b>25.39%</b> | <b>9.53%</b>    | <b>16.89%</b>   |
| S&P/Citigroup BMI EPAC < \$2BN          |                  |              |              | -6.52%          |                  |              |              | -7.41%          |                   |              |              | -5.94%          |                   |              |              | -0.66%          | -19.12%        | 28.60%        | 10.36%          | 19.26%          |
| <b>TOTAL INTERNATIONAL EQUITY</b>       | <b>4,795,640</b> | <b>9.6%</b>  | <b>11.0%</b> | <b>-2.90%</b>   | <b>4,933,239</b> | <b>9.9%</b>  | <b>11.0%</b> | <b>-10.67%</b>  | <b>5,387,115</b>  | <b>10.4%</b> | <b>11.0%</b> | <b>-4.28%</b>   | <b>5,648,339</b>  | <b>10.8%</b> | <b>11.0%</b> | <b>-1.80%</b>   | <b>-18.47%</b> | <b>27.21%</b> | <b>9.51%</b>    | <b>13.93%</b>   |
| MSCI EAFE - 50% Hedged                  |                  |              |              | -1.47%          |                  |              |              | -12.04%         |                   |              |              | -2.19%          |                   |              |              | 0.11%           | -15.14%        | 26.94%        | 10.93%          | 14.67%          |
| <b>EMERGING MARKETS EQUITY</b>          |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| <i>Core</i>                             |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| JP Morgan                               | 157,864          | 0.3%         | 0.3%         | -1.34%          | 152,622          | 0.3%         | 0.3%         | -11.10%         | 215,867           | 0.4%         | 0.3%         | 5.72%           | 222,954           | 0.4%         | 0.3%         | 11.71%          | 3.57%          | 46.07%        | N/A             | N/A             |
| PanAgora                                | 162,411          | 0.3%         | 0.3%         | 2.27%           | 151,175          | 0.3%         | 0.3%         | -12.20%         | 210,651           | 0.4%         | 0.3%         | 3.21%           | 222,885           | 0.4%         | 0.3%         | 15.67%          | 7.21%          | 46.34%        | N/A             | N/A             |
| WestLB                                  | 167,815          | 0.3%         | 0.3%         | 1.32%           | 157,684          | 0.3%         | 0.3%         | -9.78%          | 213,547           | 0.4%         | 0.3%         | 5.94%           | 221,702           | 0.4%         | 0.3%         | 14.73%          | 11.12%         | 42.11%        | N/A             | N/A             |
| UBS                                     | 248,214          | 0.5%         | 0.6%         | 0.49%           | 279,595          | 0.6%         | 0.6%         | -12.87%         | 314,780           | 0.6%         | 0.6%         | 5.26%           | 389,321           | 0.7%         | 0.6%         | 14.81%          | 5.82%          | 42.04%        | N/A             | N/A             |
| <b>Total Core</b>                       | <b>736,304</b>   | <b>1.5%</b>  | <b>1.6%</b>  | <b>0.65%</b>    | <b>741,076</b>   | <b>1.5%</b>  | <b>1.6%</b>  | <b>-11.59%</b>  | <b>954,844</b>    | <b>1.8%</b>  | <b>1.6%</b>  | <b>5.07%</b>    | <b>1,056,862</b>  | <b>2.0%</b>  | <b>1.6%</b>  | <b>14.30%</b>   | <b>6.87%</b>   | <b>43.90%</b> | <b>27.76%</b>   | <b>29.00%</b>   |
| MSCI Emerging Markets                   |                  |              |              | -0.80%          |                  |              |              | -10.92%         |                   |              |              | 3.66%           |                   |              |              | 14.52%          | 4.89%          | 45.45%        | 27.52%          | 22.84%          |
| <i>Small Cap</i>                        |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| DFA                                     | 162,654          | 0.3%         | 0.4%         | -6.73%          | 166,242          | 0.3%         | 0.4%         | -13.83%         | 209,381           | 0.4%         | 0.4%         | 0.03%           | 234,160           | 0.4%         | 0.4%         | 7.37%           | -13.68%        | 68.14%        | N/A             | N/A             |
| MSCI Emerging Markets                   |                  |              |              | -0.80%          |                  |              |              | -10.92%         |                   |              |              | 3.66%           |                   |              |              | 14.52%          | 4.89%          | 45.45%        |                 |                 |
| <i>Private Equity</i>                   |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| Capital International                   | 57,796           | 0.1%         | 0.1%         | 2.72%           | 48,441           | 0.1%         | 0.1%         | -5.38%          | 23,263            | 0.0%         | 0.0%         | -5.35%          | 8,846             | 0.0%         | 0.0%         | N/A             | N/A            | N/A           | N/A             | N/A             |
| MSCI Emerging Markets                   |                  |              |              |                 |                  |              |              |                 |                   |              |              |                 |                   |              |              |                 |                |               |                 |                 |
| <b>TOTAL EMERGING MARKETS EQUITY</b>    | <b>956,754</b>   | <b>1.9%</b>  | <b>2.0%</b>  | <b>-0.50%</b>   | <b>955,759</b>   | <b>1.9%</b>  | <b>2.0%</b>  | <b>-11.84%</b>  | <b>1,187,488</b>  | <b>2.3%</b>  | <b>2.0%</b>  | <b>4.12%</b>    | <b>1,299,868</b>  | <b>2.5%</b>  | <b>2.0%</b>  | <b>12.77%</b>   | <b>2.99%</b>   | <b>48.23%</b> | <b>27.07%</b>   | <b>28.58%</b>   |
| MSCI Emerging Markets                   |                  |              |              | -0.80%          |                  |              |              | -10.92%         |                   |              |              | 3.66%           |                   |              |              | 14.52%          | 4.89%          | 45.45%        | 27.52%          | 30.15%          |

**CITY OF BISMARCK EMPLOYEES PENSION FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2008**

|   | June-08           |                   |              |                 | March-08          |                   |              |                 | December-07       |                   |              |                 | September-07      |                   |              |                 | Current Fiscal YTD | Prior Year FY07 | 3 Years Ended 6/30/2008 | 5 Years Ended 6/30/2008 |
|---|-------------------|-------------------|--------------|-----------------|-------------------|-------------------|--------------|-----------------|-------------------|-------------------|--------------|-----------------|-------------------|-------------------|--------------|-----------------|--------------------|-----------------|-------------------------|-------------------------|
|   | Market Value      | Allocation Actual | Policy       | Quarter Net ROR | Market Value      | Allocation Actual | Policy       | Quarter Net ROR | Market Value      | Allocation Actual | Policy       | Quarter Net ROR | Market Value      | Allocation Actual | Policy       | Quarter Net ROR | Net ROR            | Net ROR         | Net                     | Net                     |
| <b>DOMESTIC FIXED INCOME</b>                      |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| <i>Core Bond</i>                                  |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| <b>Western Asset</b>                              | 1,158,403         | 2.3%              | 2.3%         | -1.48%          | 1,393,910         | 2.8%              | 2.4%         | -1.65%          | 1,519,047         | 2.9%              | 2.5%         | 0.80%           | 1,683,574         | 3.2%              | 3.2%         | 2.07%           | -0.30%             | 7.00%           | 1.78%                   | 2.90%                   |
| <i>Lehman Aggregate</i>                           |                   |                   |              | -1.02%          |                   |                   |              | 2.17%           |                   |                   |              | 3.00%           |                   |                   |              | 2.84%           | 7.12%              | 6.12%           | 4.09%                   | 3.86%                   |
| <i>Index</i>                                      |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| Bank of ND  | 1,987,766         | 4.0%              | 3.9%         | -1.63%          | 2,242,865         | 4.5%              | 3.9%         | 2.71%           | 3,117,516         | 6.0%              | 7.3%         | 3.34%           | 3,028,357         | 5.8%              | 7.3%         | 3.15%           | 7.70%              | 5.69%           | 3.93%                   | 3.57%                   |
| <b>Total Index</b>                                | <b>1,987,766</b>  | <b>4.0%</b>       | <b>3.9%</b>  | <b>-1.63%</b>   | <b>2,242,865</b>  | <b>4.5%</b>       | <b>3.9%</b>  | <b>2.71%</b>    | <b>3,117,516</b>  | <b>6.0%</b>       | <b>7.3%</b>  | <b>3.34%</b>    | <b>3,028,357</b>  | <b>5.8%</b>       | <b>7.3%</b>  | <b>3.15%</b>    | <b>7.70%</b>       | <b>5.69%</b>    | <b>4.17%</b>            | <b>3.91%</b>            |
| <i>Lehman Gov/Credit</i>                          |                   |                   |              | -1.51%          |                   |                   |              | 2.53%           |                   |                   |              | 3.10%           |                   |                   |              | 3.01%           | 7.24%              | 6.00%           | 3.84%                   | 3.58%                   |
| Enhanced  |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| <b>Westridge</b>                                  | <b>1,058,000</b>  | <b>2.1%</b>       | <b>1.9%</b>  |                 | <b>1,040,554</b>  | <b>2.1%</b>       | <b>1.9%</b>  |                 | <b>-</b>          | <b>0.0%</b>       | <b>0.0%</b>  | <b>N/A</b>      | <b>-</b>          | <b>0.0%</b>       | <b>0.0%</b>  | <b>N/A</b>      | <b>N/A</b>         | <b>N/A</b>      | <b>N/A</b>              | <b>N/A</b>              |
| <i>Lehman Aggregate</i>                           |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| <i>Convertibles</i>                               |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| Calamos (2)                                       | 1,212,355         | 2.4%              | 2.3%         | 1.53%           | 1,339,008         | 2.7%              | 2.4%         | -7.44%          | 1,485,380         | 2.9%              | 2.5%         | -0.08%          | 1,790,289         | 3.4%              | 3.2%         | 3.45%           | -2.86%             | N/A             | N/A                     | N/A                     |
| <b>Total Convertibles</b>                         | <b>1,212,355</b>  | <b>2.4%</b>       | <b>2.3%</b>  | <b>1.53%</b>    | <b>1,339,008</b>  | <b>2.7%</b>       | <b>2.4%</b>  | <b>-7.44%</b>   | <b>1,485,380</b>  | <b>2.9%</b>       | <b>2.5%</b>  | <b>-0.08%</b>   | <b>1,790,289</b>  | <b>3.4%</b>       | <b>3.2%</b>  | <b>3.45%</b>    | <b>-2.86%</b>      | <b>12.55%</b>   | <b>4.55%</b>            | <b>2.71%</b>            |
| <i>Merrill Lynch All Convertibles (3)</i>         |                   |                   |              | 1.52%           |                   |                   |              | -5.61%          |                   |                   |              | -3.25%          |                   |                   |              | 1.01%           | -6.36%             | 15.38%          | 5.72%                   | 6.36%                   |
| <i>BBB Average Quality</i>                        |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| <b>Wells Capital</b>                              | <b>1,468,302</b>  | <b>3.0%</b>       | <b>2.3%</b>  | <b>-0.29%</b>   | <b>1,533,656</b>  | <b>3.1%</b>       | <b>2.4%</b>  | <b>0.49%</b>    | <b>1,522,301</b>  | <b>2.9%</b>       | <b>2.5%</b>  | <b>1.86%</b>    | <b>1,670,661</b>  | <b>3.2%</b>       | <b>3.2%</b>  | <b>1.60%</b>    | <b>3.70%</b>       | <b>9.12%</b>    | <b>3.26%</b>            | <b>4.56%</b>            |
| <i>Lehman BBB</i>                                 |                   |                   |              | 0.11%           |                   |                   |              | -1.05%          |                   |                   |              | 1.90%           |                   |                   |              | 1.67%           | 2.62%              | 7.54%           | 2.52%                   | 3.44%                   |
| <i>Private Debt</i>                               |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| <b>Prudential</b>                                 | <b>1,165,801</b>  | <b>2.3%</b>       | <b>2.3%</b>  | <b>-1.29%</b>   | <b>1,429,904</b>  | <b>2.9%</b>       | <b>2.4%</b>  | <b>0.78%</b>    | <b>1,585,872</b>  | <b>3.1%</b>       | <b>2.5%</b>  | <b>1.96%</b>    | <b>1,609,890</b>  | <b>3.1%</b>       | <b>3.2%</b>  | <b>1.87%</b>    | <b>3.32%</b>       | <b>7.16%</b>    | <b>3.41%</b>            | <b>N/A</b>              |
| <i>Lehman Aggregate</i>                           |                   |                   |              | -1.02%          |                   |                   |              | 2.17%           |                   |                   |              | 3.00%           |                   |                   |              | 2.84%           | 7.12%              | 6.12%           |                         |                         |
| <i>Timberland</i>                                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| TIR - Teredo (4)                                  | 1,487,758         | 3.0%              | 3.0%         | 1.20%           | 1,457,265         | 2.9%              | 2.9%         | 5.03%           | 1,436,175         | 2.8%              | 2.8%         | 14.96%          | 1,305,261         | 2.5%              | 2.5%         | -0.14%          | 22.02%             | 26.95%          | 15.15%                  | 14.07%                  |
| TIR - Springbank                                  | 3,301,498         | 6.6%              | 6.6%         | -1.14%          | 3,251,602         | 6.5%              | 6.5%         | 18.05%          | 2,734,407         | 5.3%              | 5.3%         | -0.82%          | 2,762,989         | 5.3%              | 5.3%         | -0.43%          | 15.25%             | 26.90%          | 18.41%                  | N/A                     |
| <b>Total Timberland</b>                           | <b>4,789,256</b>  | <b>9.6%</b>       | <b>9.6%</b>  | <b>-0.41%</b>   | <b>4,708,868</b>  | <b>9.4%</b>       | <b>9.4%</b>  | <b>13.56%</b>   | <b>4,170,582</b>  | <b>8.1%</b>       | <b>8.1%</b>  | <b>4.24%</b>    | <b>4,068,250</b>  | <b>7.8%</b>       | <b>7.8%</b>  | <b>-0.34%</b>   | <b>17.50%</b>      | <b>27.33%</b>   | <b>17.86%</b>           | <b>21.14%</b>           |
| <i>NCREIF Timberland Index</i>                    |                   |                   |              | 1.01%           |                   |                   |              | 4.50%           |                   |                   |              | 9.38%           |                   |                   |              | 3.90%           | 19.96%             | 11.89%          | 17.12%                  | 14.70%                  |
| <i>Infrastructure</i>                             |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| <b>JP Morgan</b>                                  | <b>2,256,975</b>  | <b>4.5%</b>       | <b>4.5%</b>  | <b>6.64%</b>    | <b>2,076,720</b>  | <b>4.2%</b>       | <b>4.2%</b>  | <b>6.54%</b>    | <b>1,950,922</b>  | <b>3.8%</b>       | <b>3.8%</b>  | <b>0.29%</b>    | <b>683,804</b>    | <b>1.3%</b>       | <b>1.3%</b>  | <b>-0.58%</b>   | <b>13.28%</b>      | <b>N/A</b>      | <b>N/A</b>              | <b>N/A</b>              |
| <b>TOTAL DOMESTIC FIXED INCOME</b>                | <b>15,096,857</b> | <b>30.4%</b>      | <b>29.0%</b> | <b>0.40%</b>    | <b>15,765,485</b> | <b>31.6%</b>      | <b>29.0%</b> | <b>4.47%</b>    | <b>15,351,619</b> | <b>29.7%</b>      | <b>29.0%</b> | <b>2.32%</b>    | <b>14,534,825</b> | <b>27.9%</b>      | <b>29.0%</b> | <b>1.57%</b>    | <b>9.02%</b>       | <b>12.52%</b>   | <b>8.15%</b>            | <b>9.65%</b>            |
| <i>Lehman Aggregate</i>                           |                   |                   |              | -1.02%          |                   |                   |              | 2.17%           |                   |                   |              | 3.00%           |                   |                   |              | 2.84%           | 7.12%              | 6.12%           | 4.09%                   | 3.86%                   |
| <b>HIGH YIELD BONDS</b>                           |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| <i>Core</i>                                       |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| Loomis Sayles                                     | 1,493,008         | 3.0%              | 2.5%         | 2.78%           | 1,452,551         | 2.9%              | 2.7%         | -3.55%          | 1,506,015         | 2.9%              | 2.7%         | -0.92%          | 1,471,178         | 2.8%              | 2.8%         | 0.36%           | -1.43%             | 13.37%          | 5.39%                   | N/A                     |
| Sutter/Wells Capital                              | 1,314,920         | 2.6%              | 2.5%         | 8.90%           | 1,207,237         | 2.4%              | 2.7%         | -10.55%         | 1,338,372         | 2.6%              | 2.7%         | -0.30%          | 1,373,463         | 2.6%              | 2.8%         | -3.34%          | -6.12%             | 9.82%           | 2.58%                   | N/A                     |
| <b>Total Core</b>                                 | <b>2,807,928</b>  | <b>5.6%</b>       | <b>5.0%</b>  | <b>5.56%</b>    | <b>2,659,788</b>  | <b>5.3%</b>       | <b>5.3%</b>  | <b>-6.85%</b>   | <b>2,844,387</b>  | <b>5.5%</b>       | <b>5.5%</b>  | <b>-0.62%</b>   | <b>2,844,641</b>  | <b>5.5%</b>       | <b>5.7%</b>  | <b>-1.46%</b>   | <b>-3.71%</b>      | <b>11.59%</b>   | <b>4.01%</b>            | <b>4.88%</b>            |
| <i>LB High Yield 2% Issuer Contstrained Index</i> |                   |                   |              | 1.95%           |                   |                   |              | -2.97%          |                   |                   |              | -1.07%          |                   |                   |              | 0.40%           | -1.75%             | 11.22%          | 4.48%                   | N/A                     |
| <i>Mezzanine Debt</i>                             |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| Goldman Sachs 2006 Fund                           | 85,977            | 0.2%              | 0.2%         | -3.58%          | 76,051            | 0.2%              | 0.2%         | -1.13%          | 68,133            | 0.1%              | 0.1%         | 1.47%           | 65,854            | 0.1%              | 0.1%         | -0.64%          | -3.89%             | 7.39%           | N/A                     | N/A                     |
| Goldman Sachs Fund V                              | 96,383            | 0.2%              | 0.2%         | -1.97%          | 54,774            | 0.1%              | 0.1%         | -0.48%          | 55,039            | 0.1%              | 0.1%         | N/A             | -                 | 0.0%              | 0.0%         | N/A             | N/A                | N/A             | N/A                     | N/A                     |
| TCW   | 126,570           | 0.3%              | 0.3%         | 9.70%           | 83,445            | 0.2%              | 0.2%         | 0.21%           | 113,056           | 0.2%              | 0.2%         | 0.54%           | 101,021           | 0.2%              | 0.2%         | -2.96%          | 7.26%              | N/A             | N/A                     | N/A                     |
| <b>Total Mezzanine Debt</b>                       | <b>308,930</b>    | <b>0.6%</b>       | <b>0.6%</b>  | <b>2.29%</b>    | <b>214,270</b>    | <b>0.4%</b>       | <b>0.4%</b>  | <b>-0.45%</b>   | <b>236,227</b>    | <b>0.5%</b>       | <b>0.5%</b>  | <b>0.78%</b>    | <b>166,875</b>    | <b>0.3%</b>       | <b>0.3%</b>  | <b>-2.08%</b>   | <b>0.49%</b>       | <b>7.39%</b>    | <b>N/A</b>              | <b>N/A</b>              |
| <i>LB High Yield 2% Issuer Contstrained Index</i> |                   |                   |              | 1.95%           |                   |                   |              | -2.97%          |                   |                   |              | -1.07%          |                   |                   |              | 0.40%           | -1.75%             | 11.22%          | 4.48%                   | 6.88%                   |
| <i>Distressed Mortgages</i>                       |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| PIMCO   | 162,390           | 0.3%              | 0.3%         | -15.21%         | 132,296           | 0.3%              | 0.3%         | 2.41%           | 39,313            | 0.1%              | 0.1%         | 0.00%           | -                 | 0.0%              | 0.0%         | N/A             | N/A                | N/A             | N/A                     | N/A                     |
| Declaration Management                            | 47,964            | 0.1%              | 0.1%         | N/A             | -                 | 0.0%              | 0.0%         | N/A             | -                 | 0.0%              | 0.0%         | N/A             | -                 | 0.0%              | 0.0%         | N/A             | N/A                | N/A             | N/A                     | N/A                     |
| <b>Total Distressed Mortgages</b>                 | <b>210,354</b>    | <b>0.4%</b>       | <b>0.4%</b>  | <b>-15.21%</b>  | <b>132,296</b>    | <b>0.3%</b>       | <b>0.3%</b>  | <b>2.41%</b>    | <b>39,313</b>     | <b>0.1%</b>       | <b>0.1%</b>  | <b>0.00%</b>    | <b>-</b>          | <b>0.0%</b>       | <b>0.0%</b>  | <b>N/A</b>      | <b>N/A</b>         | <b>N/A</b>      | <b>N/A</b>              | <b>N/A</b>              |
| <i>LB High Yield 2% Issuer Contstrained Index</i> |                   |                   |              | 1.95%           |                   |                   |              | -2.97%          |                   |                   |              | -1.07%          |                   |                   |              | 0.40%           | -1.75%             | 11.22%          | 4.48%                   | 6.88%                   |
| <b>TOTAL HIGH YIELD BONDS</b>                     | <b>3,327,212</b>  | <b>6.7%</b>       | <b>6.0%</b>  | <b>4.12%</b>    | <b>3,006,354</b>  | <b>6.0%</b>       | <b>6.0%</b>  | <b>-6.21%</b>   | <b>3,119,928</b>  | <b>6.0%</b>       | <b>6.0%</b>  | <b>-0.45%</b>   | <b>3,011,517</b>  | <b>5.8%</b>       | <b>6.0%</b>  | <b>-1.53%</b>   | <b>-4.27%</b>      | <b>11.62%</b>   | <b>3.82%</b>            | <b>6.32%</b>            |
| <i>LB High Yield 2% Issuer Contstrained Index</i> |                   |                   |              | 1.95%           |                   |                   |              | -2.97%          |                   |                   |              | -1.07%          |                   |                   |              | 0.40%           | -1.75%             | 11.22%          | 4.48%                   | 6.88%                   |
| <b>INTERNATIONAL FIXED INCOME</b>                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| <i>International Sovereign</i>                    |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| <b>UBS Global (Brinson)</b>                       | <b>2,302,161</b>  | <b>4.6%</b>       | <b>4.8%</b>  | <b>-4.28%</b>   | <b>2,537,613</b>  | <b>5.1%</b>       | <b>4.8%</b>  | <b>10.26%</b>   | <b>2,301,436</b>  | <b>4.5%</b>       | <b>4.8%</b>  | <b>3.33%</b>    | <b>2,244,939</b>  | <b>4.3%</b>       | <b>4.8%</b>  | <b>7.50%</b>    | <b>17.24%</b>      | <b>0.21%</b>    | <b>5.56%</b>            | <b>6.49%</b>            |
| <i>Citigroup Non-US Gov't Bond Index (5)</i>      |                   |                   |              | -4.72%          |                   |                   |              | 10.93%          |                   |                   |              | 3.91%           |                   |                   |              | 8.10%           | 18.73%             | 2.22%           | 6.63%                   | 7.04%                   |
| <i>International Core</i>                         |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| <b>Brandywine</b>                                 | <b>2,432,151</b>  | <b>4.9%</b>       | <b>4.8%</b>  | <b>0.17%</b>    | <b>2,451,563</b>  | <b>4.9%</b>       | <b>4.8%</b>  | <b>1.89%</b>    | <b>2,406,526</b>  | <b>4.7%</b>       | <b>4.8%</b>  | <b>2.61%</b>    | <b>2,327,924</b>  | <b>4.5%</b>       | <b>4.8%</b>  | <b>5.78%</b>    | <b>10.78%</b>      | <b>6.63%</b>    | <b>7.06%</b>            | <b>8.51%</b>            |
| <i>Lehman Global Aggregate (ex-US)</i>            |                   |                   |              | -3.95%          |                   |                   |              | 9.32%           |                   |                   |              | 3.38%           |                   |                   |              | 7.35%           | 16.53%             | 3.78%           | 7.88%                   | 7.38%                   |
| <b>TOTAL INTERNATIONAL FIXED INCOME</b>           | <b>4,734,312</b>  | <b>9.5%</b>       | <b>9.5%</b>  | <b>-2.10%</b>   | <b>4,989,176</b>  | <b>10.0%</b>      | <b>9.5%</b>  | <b>5.98%</b>    | <b>4,707,962</b>  | <b>9.1%</b>       | <b>9.5%</b>  | <b>2.96%</b>    | <b>4,572,863</b>  | <b>8.8%</b>       | <b>9.5%</b>  | <b>6.62%</b>    | <b>13.90%</b>      | <b>3.41%</b>    | <b>6.31%</b>            | <b>7.50%</b>            |
| <i>Citigroup Non-US Gov't Bond Index (5)</i>      |                   |                   |              | -4.72%          |                   |                   |              | 10.93%          |                   |                   |              | 3.91%           |                   |                   |              | 8.10%           | 18.73%             | 2.22%           | 6.66%                   | 7.06%                   |
| <b>REAL ESTATE</b>                                |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                   |                   |              |                 |                    |                 |                         |                         |
| INVESCO - Core                                    | 2,296,698         |                   |              | 1.80%           | 2,271,827         |                   |              | 1.22%           | 2,307,467         |                   |              | 2.04%           | 2,272,982         |                   |              | 2.98%           | 8.27%              | 14.44%          | N/A                     | N/A                     |
| INVESCO - Fund II                                 | 50,806            |                   |              | -10.66%         | 65,380            |                   |              | -14.90%         | 75,738            |                   |              | N/A             | -                 |                   |              | N/A             | N/A                | N/A             | N/A                     | N/A                     |
| J.P. Morgan Strategic & Special Funds             | 2,408,027         |                   |              | 1.06%           | 2,412,701         |                   |              | -1.54%          | 2,394,697         |                   |              | 2.23%           | 2,353,965         |                   |              | 3.91%           | 5.69%              | 19.72%          | 15.27%                  | 15.26%                  |
| J.P. Morgan Alternative Property Fund             | 579,243           |                   |              | 4.39%           | 553,324           |                   |              | -0.22%          | 545,451           |                   |              | -0.10%          | 537,964           |                   |              | 0.52%           | 4.59%              | 6.70%           | N/A                     | N/A                     |
| J.P. Morgan Greater China Property Fund           | 55,421            |                   |              |                 | 37,466            |                   |              |                 | -                 |                   |              | N/A             | -                 |                   |              | N/A             | N/A                | N/A             | N/A                     | N/A                     |
| <b>TOTAL REAL ESTATE</b>                          | <b>5,390,196</b>  | <b>10.8%</b>      | <b>9.5%</b>  | <b>1.61%</b>    | <b>5,340,697</b>  | <b>10.7%</b>      | <b>9.5%</b>  | <b>-0.42%</b>   | <b>5,323,353</b>  | <b>10.3%</b>      | <b>9.5%</b>  | <b>1.87%</b>    | <b>5,164,911</b>  | <b>9.9%</b>       | <b>9.5%</b>  | <b>3.14%</b>    | <b>6.31%</b>       | <b>15.47%</b>   | <b>15.27%</b>           | <b>15.26%</b>           |
| <i>NCREIF TOTAL INDEX</i>                         |                   |                   |              | 0.56%           |                   |                   |              | 1.60%           |                   |                   |              | 3.21%           |                   |                   |              | 3.56%           | 9.20%              | 17.24%          | 14.82%                  | 14.63%                  |

**CITY OF BISMARCK EMPLOYEES PENSION FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2008**

|   | June-08      |        |         |         | March-08     |        |         |         | December-07  |        |         |         | September-07 |        |         |         | Current | Prior Year         | 3 Years            | 5 Years      |
|---|--------------|--------|---------|---------|--------------|--------|---------|---------|--------------|--------|---------|---------|--------------|--------|---------|---------|---------|--------------------|--------------------|--------------|
|   | Allocation   |        | Quarter | Net ROR | Allocation   |        | Quarter | Net ROR | Allocation   |        | Quarter | Net ROR | Allocation   |        | Quarter | Net ROR | Net ROR | Ended<br>6/30/2008 | Ended<br>6/30/2008 |              |
|   | Market Value | Actual | Policy  |         | Market Value | Actual | Policy  |         | Market Value | Actual | Policy  |         | Market Value | Actual | Policy  |         |         |                    |                    | Market Value |
| ALTERNATIVE INVESTMENTS                   |              |        |         |         |              |        |         |         |              |        |         |         |              |        |         |         |         |                    |                    |              |
| Coral Partners V                          | 12,818       |        |         | 14.16%  | 11,228       |        |         | -1.62%  | 11,413       |        |         | -1.64%  | 11,052       |        |         | -1.25%  | 9.09%   | -1.78%             | 5.22%              | -8.23%       |
| Coral Partners V - Supplemental           | 1,355        |        |         | 0.21%   | 1,352        |        |         | -0.99%  | 1,365        |        |         | -5.29%  | 1,580        |        |         | -0.33%  | -6.34%  | 8.49%              | 3.94%              | 6.41%        |
| Coral Momentum Fund (Formerly Fund VI)    | 22,605       |        |         | -9.05%  | 24,854       |        |         | -9.16%  | 27,361       |        |         | -4.08%  | 31,270       |        |         | 43.80%  | 13.96%  | -16.26%            | -3.63%             | -7.09%       |
| Brinson 1998 Partnership Fund             | 1,521        |        |         | -8.70%  | 1,666        |        |         | 2.44%   | 2,588        |        |         | 7.53%   | 2,738        |        |         | 6.31%   | 6.92%   | 31.02%             | 17.74%             | 16.40%       |
| Brinson 1999 Partnership Fund             | 4,593        |        |         | -0.67%  | 5,297        |        |         | 2.93%   | 5,147        |        |         | 1.84%   | 7,107        |        |         | 8.83%   | 13.32%  | 19.95%             | 15.81%             | 14.25%       |
| Brinson 2000 Partnership Fund             | 15,411       |        |         | -1.47%  | 15,641       |        |         | 5.90%   | 19,112       |        |         | 3.81%   | 20,182       |        |         | 12.46%  | 21.82%  | 13.52%             | 21.03%             | 17.78%       |
| Brinson 2001 Partnership Fund             | 12,967       |        |         | -2.22%  | 14,258       |        |         | 2.78%   | 13,873       |        |         | -5.15%  | 16,035       |        |         | 7.25%   | 2.23%   | 15.81%             | 12.37%             | 9.49%        |
| Brinson 2002 Partnership Fund             | 7,052        |        |         | 0.24%   | 7,035        |        |         | -2.77%  | 7,235        |        |         | -1.75%  | 9,060        |        |         | 7.77%   | 3.20%   | 11.10%             | 14.93%             | 10.72%       |
| Brinson 2003 Partnership Fund             | 2,415        |        |         | -3.70%  | 2,391        |        |         | -5.49%  | 2,718        |        |         | 5.07%   | 2,836        |        |         | -2.14%  | -6.42%  | 34.38%             | 16.42%             | 8.89%        |
| Total Brinson Partnership Funds           | 43,959       |        |         | -1.21%  | 46,288       |        |         | 2.95%   | 50,673       |        |         | 2.94%   | 57,959       |        |         | 8.74%   | 13.85%  | 16.34%             | 17.75%             | 14.80%       |
| Brinson 1999 Non-US Partnership Fund      | 2,180        |        |         | -0.48%  | 2,191        |        |         | 7.30%   | 2,470        |        |         | -0.20%  | 2,713        |        |         | -15.34% | -9.78%  | 111.26%            | 38.86%             | 33.76%       |
| Brinson 2000 Non-US Partnership Fund      | 5,286        |        |         | -1.62%  | 5,373        |        |         | 13.94%  | 6,763        |        |         | 3.76%   | 7,144        |        |         | 9.22%   | 27.03%  | 55.10%             | 38.56%             | 28.82%       |
| Brinson 2001 Non-US Partnership Fund      | 3,571        |        |         | 5.56%   | 3,837        |        |         | -5.09%  | 4,497        |        |         | 4.45%   | 5,616        |        |         | 8.40%   | 13.44%  | 7.81%              | 15.89%             | 14.66%       |
| Brinson 2002 Non-US Partnership Fund      | 9,542        |        |         | 4.81%   | 9,104        |        |         | -5.07%  | 9,980        |        |         | 4.69%   | 11,252       |        |         | 9.52%   | 14.08%  | 88.98%             | 43.86%             | 31.81%       |
| Brinson 2003 Non-US Partnership Fund      | 7,749        |        |         | -5.71%  | 8,218        |        |         | 15.64%  | 8,901        |        |         | 8.33%   | 9,007        |        |         | 5.76%   | 24.92%  | 76.59%             | 42.47%             | 23.29%       |
| Brinson 2004 Non-US Partnership Fund      | 3,721        |        |         | 2.26%   | 3,526        |        |         | 12.84%  | 3,574        |        |         | 3.79%   | 3,775        |        |         | 7.85%   | 29.16%  | 23.98%             | 25.88%             | N/A          |
| Total Brinson Non-US Partnership Fund     | 32,049       |        |         | 0.86%   | 32,249       |        |         | 5.74%   | 36,184       |        |         | 5.05%   | 39,507       |        |         | 6.06%   | 18.83%  | 62.33%             | 37.12%             | 28.34%       |
| Adams Street 2008 Non-US Partnership Fd   | 501          |        |         | 0.00%   | 247          |        |         | N/A     | -            |        |         | N/A     | -            |        |         | N/A     | N/A     | N/A                | N/A                | N/A          |
| Brinson BVCF IV                           | 22,890       |        |         | -26.08% | 30,965       |        |         | 15.47%  | 27,532       |        |         | 4.45%   | 28,902       |        |         | 9.99%   | -1.94%  | -3.23%             | 7.62%              | 9.88%        |
| Adams Street Direct Co-investment Fund    | 23,698       |        |         | -1.32%  | 24,017       |        |         | 0.00%   | 22,071       |        |         | 5.57%   | 15,458       |        |         | -0.11%  | 4.06%   | N/A                | N/A                | N/A          |
| Matlin Patterson Global Opportunities     | 11,728       |        |         | -12.84% | 13,454       |        |         | 15.07%  | 11,692       |        |         | 76.23%  | 7,273        |        |         | -60.15% | -29.56% | 10.95%             | -11.62%            | 9.60%        |
| Matlin Patterson Global Opportunities II  | 49,770       |        |         | -3.67%  | 51,663       |        |         | -2.01%  | 51,649       |        |         | -0.54%  | 52,018       |        |         | 0.61%   | -5.55%  | 37.09%             | 8.69%              | N/A          |
| Matlin Patterson Global Opportunities III | 24,648       |        |         | 0.15%   | 11,746       |        |         | -2.39%  | 5,435        |        |         | -2.74%  | 6,126        |        |         | -15.88% | -20.02% | N/A                | N/A                | N/A          |
| InvestAmerica                             | 11,824       |        |         | 27.85%  | 9,248        |        |         | -15.93% | 11,000       |        |         | 0.00%   | 12,059       |        |         | 18.49%  | 27.36%  | 13.96%             | 13.22%             | 1.67%        |
| Hearthstone MSII                          | 128          |        |         | -62.11% | 337          |        |         | 0.00%   | 112          |        |         | 0.27%   | 0            |        |         | 0.00%   | -62.01% | -95.85%            | -100.00%           | -100.00%     |
| Hearthstone MSIII                         | 2,223        |        |         | -40.46% | 3,734        |        |         | 24.63%  | 3,896        |        |         | 1.16%   | 5,741        |        |         | 18.89%  | -10.75% | 208.65%            | 63.82%             | N/A          |
| Corsair III                               | 20,913       |        |         | 49.66%  | 15,495       |        |         | -3.42%  | 14,651       |        |         | -1.20%  | 5,952        |        |         | 14.87%  | 64.04%  | N/A                | N/A                | N/A          |
| Corsair III - ND Investors LLC            | 14,967       |        |         | 0.00%   | 3,742        |        |         | N/A     | -            |        |         | N/A     | -            |        |         | N/A     | N/A     | N/A                | N/A                | N/A          |
| Quantum Resources                         | 4,009        |        |         | -45.76% | 6,304        |        |         | 0.00%   | 6,304        |        |         | -4.10%  | 5,926        |        |         | -8.56%  | -52.44% | N/A                | N/A                | N/A          |
| Quantum Energy Partners                   | 3,762        |        |         | 12.81%  | 2,867        |        |         | 0.00%   | 2,867        |        |         | 4.30%   | 3,013        |        |         | -17.70% | -3.17%  | N/A                | N/A                | N/A          |
| TOTAL ALTERNATIVE INVESTMENTS (6)         | 303,845      | 0.6%   | 1.0%    | -2.51%  | 289,791      | 0.6%   | 1.0%    | -1.19%  | 284,204      | 0.5%   | 1.0%    | 2.48%   | 283,836      | 0.5%   | 1.0%    | 3.37%   | 4.50%   | 16.97%             | 10.73%             | 10.47%       |
| CASH EQUIVALENTS                          |              |        |         |         |              |        |         |         |              |        |         |         |              |        |         |         |         |                    |                    |              |
| Northern Trust STIF/STEP                  | 179,950      | 0.4%   | 0.0%    | 0.99%   | 127,610      | 0.3%   | 0.0%    | -1.37%  | 248,089      | 0.5%   | 0.0%    | 0.38%   | 702,344      | 1.3%   | 0.0%    | 0.72%   | 5.25%   | 3.40%              | 2.76%              |              |
| 90 Day T-Bill                             |              |        |         | 0.31%   |              |        |         | 0.88%   |              |        |         | 1.05%   |              |        |         | 1.34%   | 3.63%   | 5.21%              | 4.27%              | 3.18%        |
| TOTAL FUND                                | 49,720,565   | 100.0% | 100.0%  | -0.22%  | 49,863,804   | 100.0% | 100.0%  | -3.69%  | 51,683,141   | 100.0% | 100.0%  | -0.93%  | 52,088,081   | 100.0% | 100.0%  | 1.02%   | -3.82%  | 17.02%             | 7.09%              | 9.93%        |
| POLICY TARGET BENCHMARK                   |              |        |         | -1.17%  |              |        |         | -3.22%  |              |        |         | -0.15%  |              |        |         | 2.01%   | -2.58%  | 13.28%             | 5.45%              | 7.28%        |

**NOTE: Monthly returns and market values are preliminary and subject to change.**

- (1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.
- (2) TCW was terminated on September 22, 2006. The portfolio was transferred to Calamos on October 5, 2006.
- (3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.
- (4) Prior to June 1, 2006, the Toledo properties were under the management of RMK.
- (5) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.
- (6) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.